Prudential

BENEFITS & BEYOND

THE FUTURE OF WORK

How benefits define culture and drive workforce loyalty

EXECUTIVE INSIGHTS

The future of work is here—and benefits must evolve for employees and organizations to thrive.

Our latest research reveals a profound disconnect between how employers view their benefits strategy and how employees experience it in their daily lives. While organizations invest heavily in comprehensive packages designed to reflect company culture, employees often struggle to see how these offerings meet the real challenges of their life.

We design benefits for long-term security, but many employees—especially mid-career professionals—are navigating immediate pressures that demand real-time support. Their needs shift as they raise families, manage peak financial pressure, and carry a large share of day-to-day business responsibilities.

What employees ask for is both simple and complex: not entirely different benefits, but meaningful help in optimizing what already exists. They approach enrollment feeling overwhelmed, confused, or disengaged. The gap between what they perceive as valuable and what we offer is not primarily about coverage: it's about relevance, timing, and the clarity of our communication and guidance.

Benefits are no longer just a compensation add-on. They are a tangible expression of organizational culture and, increasingly, the determining factor in whether employees choose to stay. Aligning our benefits strategy with our core values and employee realities does more than provide insurance or time off. It demonstrates that we support human beings navigating complex, changing lives.

This requires a fundamental shift from simply offering a full menu of options to rethinking how benefits are designed, delivered, and experienced. Personalization and active support meet employees where they are, with the right guidance at the right time, helping them navigate and get the most from what they already have.

Making this shift transforms benefits from a line item to a lifeline, ensuring that every employee feels seen, understood, and valued regardless of their household profile, financial pressure, or role.

Bianka Douglas
Vice President,
Group Insurance People Business Leader

How Benefits Define Culture, the third study in our 2026 research, covers three key insights: how benefits connect to company culture, how certain benefits are perceived by different generations or within certain household profiles, and the value and impact of personalized employees' perception of their employer and benefits offerings.

Adding insight: Household profile

This year, *Benefits & Beyond* includes a new demographic categorization in its findings: household profile. This allows us to go beyond generational findings among employees to give a more complete picture of where they are in their lives and how their household profile impacts their feelings about workplace benefits—and more broadly, the future of work and their place in it.

Household profiles are defined as follows:

Solo	Single, never married, or now divorced. No kids.
Partnered	Married or living with a partner. No kids.
Young Kids	Has a child(ren) between 0 and 12.
Teens	Has a child(ren) between 13 and 17.
Launch Age	Has a child(ren) between 18 and 26.
Empty Nest	Has a child(ren) age 26 and above and no child(ren) under 18.

- Building financial resilience in an era of rising costs
- Navigating rapid AI adoption while building employee trust
- **How benefits define culture and drive workforce loyalty**

TABLE OF CONTENTS

INSIGHT 1

Benefits reflect culture—and determine whether employees believe it exists

Company culture is the collective set of values, behaviors, and beliefs that define how an organization operates. It shapes how people collaborate, make decisions, and treat one another. It builds a shared sense of purpose and belonging that keeps people engaged and committed to a common mission, and it signals to prospective talent what it means to be part of the company.

Employee benefits are a tangible way companies can express their corporate culture—and almost nine out of 10 (88%) of employers say their benefits align with theirs. While this alignment exists, slightly under two thirds (64%) of employees say their company's benefits help them meet the challenges they currently face in their life.

The value of fostering inclusion and belonging

Most employers believe their workplace benefits help employees from a variety of backgrounds and experiences feel like they belong at work. But fewer employees feel their company is welcoming to all employees.

of employers believe their benefits package shows their organization values inclusion and belonging

of employees say their company makes everyone feel valued and welcome, no matter their background

That's a **19%** gap

Employer care for employees

We asked employers and employees if workplace benefits packages show that employers care about their employees:

of employers say their benefits package shows employees that they care about them

of employees say their employer cares about its employees

That's a **23%** gap

But an interesting thing happens when employees believe their benefits meet their current needs. Their agreement climbs to 81% and **the gap drops from 23% to just 8%**.

That's a significant change that directly links how workers tie employer care to benefits value.

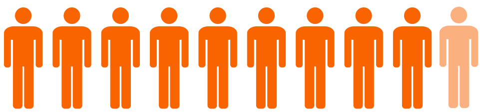
Accommodations[1] contribute positively to company culture

Accommodations for employees with disabilities add to company culture and express a commitment to equity and respect. Both employers and employees say providing reasonable accommodations for employees with disabilities has a positive impact on company culture, but employers lead by 14 percentage points:

Interestingly, work location doesn't have a big impact on benefits related to organizational culture, with the exception of accommodations.

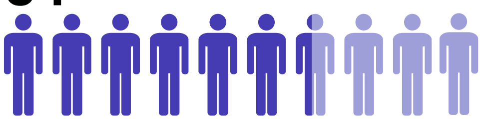
There's a gap of 26 percentage points between what employers and employees think about accommodations that can help employees perform their best work:

90%



of employers say providing reasonable accommodations helps employees be more productive/perform their best work.

64%



of employees say they would feel supported in requesting the tools/adjustments needed to perform their best work.

These gaps show employers have an opportunity to better communicate their accommodations policy: how they meet employees' needs, make it easy for employees to request them, and actively support employees who use them.

Diving into the demos: Enthusiastic to the core (values)

The foundation of a company's culture is its core values, which further shape every decision, interaction, and strategy. Some employee groups including those with young kids and teens are more likely to say their employer:

	Total employees	Employees with young kids	Employees with teens
Cares about its employees	66%	70%	76%
Clearly communicates its core values to employees	72%	76%	78%

These two groups of employees are also more likely to agree with their employers' core values:

69% Total employees

75% Employees with young kids

76% Employees with teens

This points to a consistent thread throughout our 2026 findings: Employees whose household includes young kids and/or teenagers are more likely to show an interest in benefits and have more positive sentiment toward their employers' benefits programs and overall culture. It's possible that balancing numerous work and life commitments with future goals makes their employers' offerings especially attractive and convenient for them as a group.

Benefits that instill pride

We asked employers and employees to rank the top five benefits offered that make them feel proud to work for their employer. The top three choices are unsurprising, though it's interesting to note the higher percentages of employees ranking them versus employers, especially dental insurance. The largest gap is for employer paid leave, at 20%.

Overall, the data reveals a challenge and an opportunity. Employers are confident their benefits reflect their values, but this doesn't close the gap between what organizations offer and what employees experience. When benefits align with the real challenges employees face in their lives, the cultural impact is immediate and measurable. The gap between employers who believe they care and employees who feel cared for shrinks from 23 percentage points to just eight. It's a clear implication: Culture is not built through intention alone but through benefits that work for the full diversity of people who make up the workforce.

The top five benefits that make people proud to work for their employer

Employers

- 56% rank medical as #1
- 18% rank dental as #2
- 13% rank vision as #3
- Life insurance ranges from 1 – 5 with #3 being the highest at 10%
- Only 40% choose company paid leave ranging from 1 – 5 with 10% choosing #3
- 72% select retirement savings with 28% ranking it #2

Employees

- 63% rank medical as #1
- 31% rank dental as #2
- 24% rank vision as #3
- Life insurance ranges from 1 – 5 with #4 being the highest at 16%
- 60% choose employer paid leave ranging from 1 – 5 with 14% choosing #2
- 70% select retirement savings

INSIGHT 2

The biggest risk to benefits value isn't lack of coverage—it's cost, complexity, and misalignment to real-life pressure points

The gaps uncovered in our first insight are better understood by looking more closely at who employees are—not just as a workforce, but as individuals navigating distinct personal life challenges, household makeup, and generational expectations. Their benefits preferences are not uniform, and neither is their experience of perceived value.

Eighty-five percent of employers believe their benefits package helps employees meet the challenges they face at any stage in life, and 64% of employees agree, overall. But there are three groups who are more likely to agree.

69%
Employees with young kids

72%
Employees with teens

76%
Tech industry employees

These three groups are also more likely to say they would continue to work with their employer if they were offered a robust set of benefits, compared to 64% of all employees.

72%
Employees with young kids

69%
Employees with teens

77%
Tech industry employees

Additionally, employees with young kids or teens are also the most interested in benefits designed for their life stage, compared to the overall group (54%).

58%
Employees with young kids

55%
Employees with teens

How benefits can help meet life's challenges—or fall short.

Employees say their benefits don't always keep pace with the real challenges they face.

To better understand how benefits are or are not meeting their challenges, we asked employees who say their benefits are meeting the mark—and those whose say their benefits aren't—what works for them and what doesn't.

Across their responses, three themes emerged: what employers offer, what employees need those offerings to address, and the financial or perceived costs of using them.

Health insurance leads among the types of benefits that employees say help them meet their challenges, and that they specifically named as doing so. Employees who say benefits don't help them cite poor/lack of health coverage and lack of mental health services among their reasons for believing so.

Ways employees say their current challenges **are met:**

67% **say these types of benefits helped them meet current challenges.**

- Health insurance
- Retirement savings
- Mental health coverage
- Flexible work schedule/location
- Dental insurance
- Unspecified benefits
- Vision insurance

43% **mention their benefits helped them manage these challenges**

- Provides added peace of mind
- Meets needs (unspecified)
- Able to care for health
- Helps with medical expenses
- Able to take care of family
- Meets my financial needs

11% **say their benefits helped manage costs**

- Low medical expenses or co-pays
- No cost
- Affordable
- Low premiums

Ways employees say their current challenges **are not met:**

53% **say these benefits (or lack of them) did not help them meet current challenges**

- Poor benefits (unspecified)
- Poor/lack of health coverage
- Lack of mental health services
- Inflexible hours/lack of PTO

14% **say these types of benefits did not help them meet current challenges**

- Financial challenges
- Poor work-life balance

44% **say their benefits did not help them manage these costs**

- High premiums
- Low pay
- High deductible
- Out-of-pocket expenses

Certain groups are more likely to say their benefits are **not meeting** the challenges they are facing.

Women

Those who earn less than $100k

Those with more financial stress

Those making it paycheck-to-paycheck

A bigger story: The group that says benefits help them meet their challenges cites cost as the lowest factor in their reasons for believing so, at 11%. Employees who don't feel that benefits help were more likely to cite cost as a challenge (44%), specifically calling out high medical insurance premiums (21%) and other healthcare-related costs as well as low pay (13%). It's likely that the funding of employee healthcare insurance is a factor in employees' overall feelings about their benefits program helping them meet life challenges.

Employees connect their needs being met to more available benefits offerings

Employers can strengthen their benefits program by focusing on offerings that are more common among employees who feel their benefits meet their needs. The table to the right shows the biggest availability gap between employees who feel their benefits program meets their needs versus those who don't. For example, employees who say their benefits meet their needs are more likely to report having employer paid leave (81%) than those who say their benefits don't (59%).

Employees who say their benefits programs:

	Don't meet their needs	Do meet their needs	Gap
Employer paid leave[2]	59%	81%	**22%**
Employee assistance program (EAP)[3]	49%	71%	**22%**
Long-term disability insurance	52%	73%	**21%**
Life insurance	70%	89%	**19%**
Accidental death & dismemberment (AD&D) insurance	50%	68%	**18%**
Dental insurance	77%	93%	**16%**
Short-term disability insurance	61%	77%	**16%**
Supplemental life insurance (that I pay for)	46%	62%	**16%**
Retirement savings plan (e.g., 401(k), 403(b), 457, etc.)	78%	93%	**15%**

Focus on supplemental health

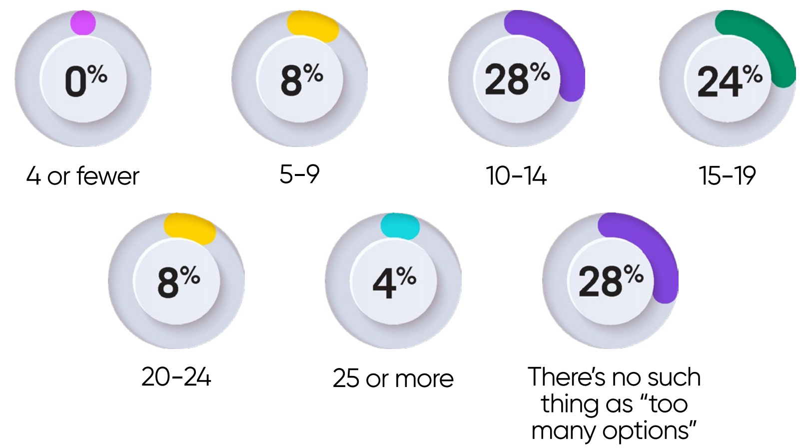
As medical costs rise and become a growing financial concern for both employers and employees, supplemental health benefits gain more traction. Employees who say that their benefits meet their needs are more likely to say they are offered supplemental health benefits.

- Accident insurance (that I pay for) 32% versus 45%; a 13% gap
- Hospital indemnity insurance (that I pay for) 28% versus 37%; a 9% gap
- Critical illness insurance (that I pay for) 34% versus 42%; an 8% gap

Can employers offer too many benefits?

To understand if employers feel they have an optimal number of benefits in their benefits program, we asked how many benefits they considered to be too many. Their answers vary, with many falling in the range of 10 to 19 benefits. Over a quarter state there's no such thing as too many options.

Employer response to optimal number of benefits



Based on these findings, the question may not be how many benefits to offer, but which ones employees consider to be non-negotiable.

Diving into the demos: Optimal benefits and company size

- Larger organizations are more likely to say 25 or more (10% versus 4%)
- Over a third of mid-size companies believe the 15-19 range is ideal

How benefits options impact employee retention

We asked both employers and employees which benefits, if removed, would make employees **less likely to stay**. Their answers offer a sharper benefits strategy guide than any count of offerings. Both groups align on the top four benefits, though **employees responded in higher percentages to dental** and **vision insurance** than employers. Another compelling disconnect is around **employer paid leaves**. Thirty-five percent of employees say they would be less likely to stay if this benefit was removed, whereas just 28% of employers say their employees would be less likely to do so.

Removing these benefits would make employees less likely to stay with their employer:

	Employers who agree	Employees who agree
Medical/Health insurance	80%	79%
Retirement savings plan (e.g., 401(k), 403(b), 457, etc.)	54%	54%
Dental insurance	**40%**	**50%**
Vision insurance	**31%**	**39%**
Life insurance	29%	29%
Employer paid leave[2]	**28%**	**35%**
Short-term disability insurance	17%	17%
Long-term disability insurance	13%	15%
Employee assistance program (EAP)[3]	12%	11%

Employers shouldn't disregard employee opinions toward life insurance, disability insurance, employee assistance programs (EAPs), and other voluntary benefits. These benefits are often expectations and removing them could cause notable employee attrition. They can also help protect employees financially. Removal could have significant impacts on their overall financial well-being and long-term workforce implications.

Benefits that help increase employee retention

What benefits, if offered to employees at no cost or a reasonable cost, would make them **more likely to stay** with their employer over the next two years? Their responses include:

- Increased retirement savings match/contribution: 52%
- Four-day work week: 49%
- Working remotely: 39%
- Offering flexible start and stop times for work: 37%
- Hybrid remote and in-office work: 30%
- Offering longer breaks from work during the workday: 25%

When we break down these responses by generation and household profile, the answers are not uniform. They reflect where employees are in their lives and careers

What matters most by generation and household profile

The results from this section show that a benefits program cannot be designed around a single demographic assumption, which can leave meaningful segments of the workforce feeling unaddressed.

Retirement savings

- Increased retirement savings matches or contributions appeal to all generations, but **Gen X** and **Boomer** employees lead over **Millennials** and **Gen Z**.
- Employees in the **Empty Nest**, **Launch Age**, and **Partnered (no kids)** profiles place the highest value on an increased retirement savings match.
- The **Solo** profile mirrors **Gen Z** patterns, with relatively lower retirement savings interest.

Flexibility

- **Gen Z** leads all generations on wanting flexible start and stop times, while **Boomers** trail significantly.
- **Solo** employees have a higher appetite for flexibility, aligning more closely with the **Young Kids** and **Teens** household profiles.
- **Gen X** has the greatest interest in four-day workweeks—ahead of younger generations.
- The four-day work week resonates most with **Partnered**, **Launch Age**, and **Empty Nest** employees.

- Interest in hybrid (remote and in-office) work as well as working remote only declines steadily from younger generations to **Boomers**.
- Employees with **Young Kids** show the strongest interest in remote work and flexible hours.

Benefits with the most differentiated responses: Generations

	Gen Z	Millennials	Gen X	Boomers
Increased retirement savings match	40%	51%	60%	57%
Flexible start and stop times	45%	41%	34%	20%
Four-day work week	44%	49%	53%	45%
Hybrid (remote and in-office work)	34%	34%	29%	19%
Working remotely	38%	41%	40%	33%

Benefits with the most differentiated responses: Household profiles

	Solo	Partnered	Young kids	Teens	Launch age	Empty nest
Increased retirement savings match	51%	60%	51%	51%	61%	62%
Four-day work week	48%	55%	48%	43%	56%	56%
Flexible start and stop times	37%	36%	41%	37%	34%	29%
Hybrid (remote and in-office work)	31%	32%	34%	36%	29%	22%
Working remotely	38%	43%	41%	38%	41%	37%

What the data makes clear is a benefits program designed around a single demographic assumption leaves meaningful segments of the workforce feeling unaddressed. Treating generation and household profile as complementary filters—not competing ones—helps identify where a targeted enhancement delivers the greatest perceived value and the strongest employee retention. Knowing which employees want what is the essential first step. Next is building the infrastructure to deliver it, through personalization, decision support, and more relevant communications.

INSIGHT 3

Personalization isn’t just a feature—it’s how benefits scale across a fragmented workforce

Our 2026 paper, *The Future of Work: Navigating rapid AI adoption while building employee trust*, confirms that employers and employees seek personalization for help with benefits engagement and enrollment. And our 2024 Benefits & Beyond research revealed that nearly seven in 10 employees wished they had more personalized advice during open enrollment to help them make benefits decisions, including decision support tools that aided with budgeting and cost comparisons. And about nine in 10 employees were willing to provide information like age, health status, tobacco use, and family history to receive personalized recommendations. AI tools can help deliver this.

Benefits enrollment access provides personalization at a basic level—employee choice. Below are the options employers told us they made available to employees for benefits enrollment, as well as the methods that employees say they used during their last enrollment.

Diving into the demos: Enrollment preferences

- **Gen Z** is more likely to enroll via a smartphone/mobile phone (22% versus 14%) but also more likely to enroll over the phone (7% versus 3%).
- Those in **organizations with 10,000 or more employees** are more likely to enroll on a desktop/laptop (79% \versus 67%).

Desktop and laptop computers are still the top method employees use to enroll, but employers have expanded their options to include mobile phones and tablets, though employees are not yet embracing them. Enrollment firms or specialists are also available, but not as well used, as are legacy options like paper and phone enrollment.

Benefits enrollment options

What employers make available

- Desktop/laptop: 79%
- Smartphone/Mobile phone: 58%
- Paper: 14%
- Tablet: 29%
- Over the phone: 21%
- Through an enrollment firm/specialist: 26%
- Some other way: 1%

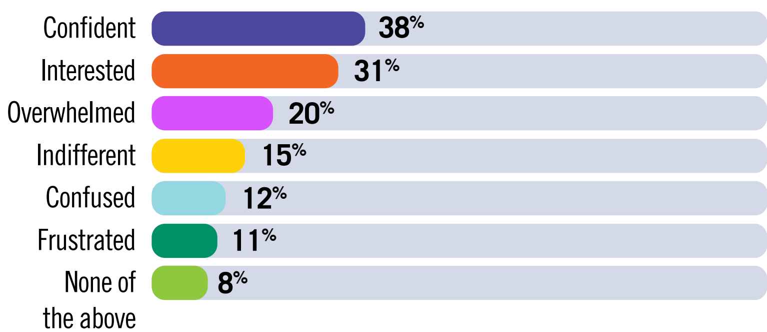
What employees say they use

- Desktop/laptop: 67%
- Smartphone/Mobile phone: 14%
- Paper: 5%
- Tablet: 2%
- Over the phone: 3%
- Through an enrollment firm/specialist: 7%
- Some other way: 2%

Benefits selection interest and confidence

Personalization can also influence how employees feel during the enrollment process.

This is what employees say they felt during their past benefits enrollment:



Benefits education through AI could potentially help increase employee confidence with benefits enrollment. While 58% of employees say they would use AI to learn more about their benefits, only 24% do—demonstrating an education opportunity.

Diving into the demos: Feelings about benefit selection

Household profile:

Both **employees with young kids** and **teens** are more interested and more confident in selecting benefits.

Interested:
Employees with young kids: 38%
Employees with teens: 39%

Confident:
Employees with young kids: 45%
Employees with teens: 46%

Launch Age and **Empty Nester** employees are the most likely to be frustrated.

Income:
Employees who make greater than $100k annually are more likely to feel confident (42%) than those who make less (36%).

Gender:
Men are more likely to say they are confident and interested than women.

	Total	Women	Men
Confident	38%	32%	45%
Interested	31%	23%	38%

The fact that one in five employees approaches enrollment feeling overwhelmed isn't an individual engagement problem. It's a system design signal. Personalized decision support, timely and relevant communications, and benefits guidance tailored to household realities are not conveniences for already-engaged employees. They are tools that make benefits accessible for the employees who need them most.

Benefits enhancements that draw employee interest

Employees say they'd be very or extremely interested in certain benefits enhancements:

	All employees	Employees with young kids	Employees with teens
Benefit decision support tools	54%	61%	61%
Benefits designed for specific household profiles	54%	58%	55%
Personalized emails	47%	54%	50%
Benefits tailored to employee needs	33%	40%	39%

Over half of employees seek different benefits designed for employees of specific household profiles, with even higher responses noted for parents of young kids (58%) and those with teens (55%) as well as those in the tech industry (59%).

We asked employers which of the following benefits program actions their organization took over the past 12 months.

- 48% offered employees personalized decision support during enrollment for employees with specific household profiles
- 45% sent personalized emails/benefit reminders to employees with specific household profiles
- 40% offered new benefits designed for employees with specific household profiles
- 37% offered new benefits designed for specific generations of employees
- 14% have not taken action

The case for personalization is no longer theoretical. Employees consistently say that they want guidance, not just options. They're willing to share personal information to receive relevant recommendations. They're open to AI-powered tools that can deliver that relevance at scale. And when benefits meet the challenges employees face in their lives, the result is not just higher satisfaction scores—it's a measurable shift in how employees experience their organization's culture. Personalization can help transform benefits from a policy into a demonstration of care. Employers who recognize this first will have a meaningful and durable advantage in attracting, engaging, and retaining the talent they need to thrive.

Final Takeaways

- Benefits are culture's proof point—not a reflection of intent. Employees don't judge culture by what employers say—they judge it by whether their benefits tangibly support their lives. While employers overwhelmingly believe their benefits demonstrate care and inclusion, employees only feel that care when benefits meet their real-world needs. When they do, perception shifts dramatically—closing the gap between employer intent and employee experience.

- More benefits don't solve the problem—relevance, affordability, and alignment do. The central breakdown in benefits strategy isn't lack of coverage—it's misalignment to employee realities. Cost pressures, household profiles, and complexity prevent employees from realizing value, even when benefits exist. The result is a fragmented experience where those under the greatest financial and personal strain are the least well-served.

- Personalization is the only way to deliver benefits value at scale. A workforce defined by diverse household structures, financial realities, and career stages cannot be served through a uniform approach. Employees are clear—they want guidance, not more options. Personalization, including AI-enabled decision support, transforms benefits from a static offering into a dynamic system that meets employees where they are and helps them make confident decisions.

About The Research

Prudential fielded two surveys for our 2026 *Benefits & Beyond* research. We asked employers and employees about workplace benefits programs with the primary goal of helping employers build a future-ready workforce and navigate through uncertainty, strengthen culture and position employees to thrive. All statistics and references in this paper, unless otherwise cited, are derived from the data obtained through research conducted in January 2026.

Methodology

Research was conducted via online surveys in January 2026 with two key populations—employers (benefits decision-makers) and employees. Prudential partnered with Burke, Inc. to collect online surveys with 760 employers and 3,096 full-time employed individuals (employees) in the U.S. The employee data, when reported in total, has been weighted by age and income to match data from the Bureau of Labor Statistics and the Census Bureau.

Contact

For more information about this research, contact Prudential.

Prudential

[1] An accommodation is a reasonable modification or adjustment to a job, work environment, or work process that enables a qualified individual with a disability to perform their role and have equal employment opportunities.
[2] Time away from work for health or caregiving reasons when an employee receives at least a portion of their regular pay.
[3] Voluntary program that offers free and confidential services to employees who have personal and/or work-related issues such as grief, stress, substance use, etc.

All statistics and references in this paper, unless otherwise cited, are derived from the data obtained through the Benefits & Beyond research, conducted in January 2026.

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